

FY2010
PERFORMANCE PLAN

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DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS

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CONTRIBUTION TO MONTGOMERY COUNTY RESULTS

- Affordable Housing in an Inclusive Community
- Healthy and Sustainable Communities
- A Responsive and Accountable County Government

WHAT DHCA DOES, FOR WHOM, AND HOW MUCH

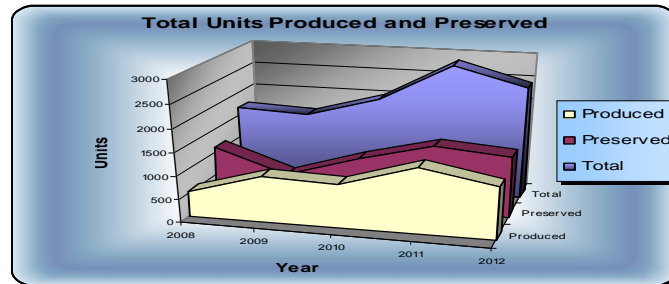
What We Do and for Whom	How Much
Multifamily and single family housing programs: produce and preserve single and multifamily affordable housing.	<ul style="list-style-type: none"> • \$75,611,169 Total (67.1% budget) • WY: 20.2 (25% of personnel)
Enforce the housing code for single and multifamily housing, including inspecting all multifamily properties every three (3) years (annually in Takoma Park per contract).	<ul style="list-style-type: none"> • \$3,190,800 (2.8% of budget) • WY: 29.7 (36.8% of personnel))
Make loans, provide technical assistance, develop comprehensive plans, and engage community in neighborhood and commercial revitalization.	<ul style="list-style-type: none"> • \$1,115,720 (1% of budget) • WY: 11.9 (14.7% of personnel)
Mediate landlord/tenant disputes and where necessary, send to adjudication.	<ul style="list-style-type: none"> • \$1,127,990 (1% of budget) • WY: 8.3 (10.3% of personnel)
Administer five (5) Federal programs: Community Development Block Grant (CDBG), HOME Investment Partnership Program, Emergency Shelter Grants Program, CDBG-R, Weatherization, and RHPP.	<ul style="list-style-type: none"> • \$31,246,938 (27.7% of budget) • WY: 7.1 (8.8% of personnel)
License rental facilities (fee service).	<ul style="list-style-type: none"> • \$426,330 (.4% of budget) • WY: 3.6 (4.4% of personnel)
The mission of the Department of Housing and Community Affairs is to: plan and implement activities which prevent and correct problems that contribute to the physical decline of residential and commercial areas; ensure fair and equitable relations between landlords and tenants; increase the supply of new affordable housing; and, maintain existing housing in a safe and sanitary condition.	<ul style="list-style-type: none"> • TOTAL FY10 Resources: \$112,718,947 • Appropriated FY10: \$70,619,650 • Rollover: \$42,099,297 • TOTAL WY: 80.8 (80 full time, 5 part-time positions)

DHCA PERFORMANCE

Production and Preservation of Multifamily and Single Family Affordable Housing Units

Headline Performance Measure #1:

Number of affordable housing units produced and preserved by fiscal year



UNITS PRESERVED

Preservation	FY 08	FY 09	FY 10	FY 11	FY 12
County Funded Units Online	34	423	254	478	432
No-Cost Units Online	131	0	700	735	772
Preservation Pipeline	954	190	330	243	365
Total Preservation	1119	613	1284	1456	1569

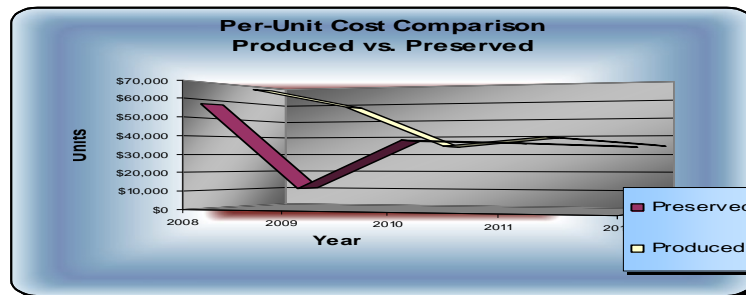
UNITS PRODUCED

Production	FY 08	FY 09	FY 10	FY 11	FY 12
County Funded Units Online	103	534	436	984	943
No-Cost Units Online	116	242	114	173	182
Production Pipeline	336	200	964	194	100
Total Production	555	976	1514	1351	1225

Total Produced and Preserved	1674	1589	2798	2807	2794
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Headline Performance Measure #2:

County cost per unit of affordable housing



COST PER UNIT

Measure	FY 08	FY 09	FY 10	FY 11	FY 12
Preservation – Cost/Unit Online	\$57,932	\$43,827	\$36,820	\$26,959	\$35,531
Production – Cost/Unit Online	\$68,270	\$57,076	\$44,612	\$35,388	\$36,963

Story Behind The Performance

Contributing Factors

1. A positive history of acceptance and support for inclusiveness and mixed-income communities by the County's residents and officials.
2. Increased HIF funding has permitted DHCA to become involved in more and larger projects and significantly increase the number of affordable units added to the inventory annually.
3. Increased HIF funding and ability of County to exercise "right-of-first refusal" has resulted in increased willingness of private sector to enter into voluntary rental agreements.
4. Strong partnerships with nonprofit and private sectors in the provision of affordable housing.
5. Opportunities for redevelopment of infill and transit station areas.
6. Increased number of vacant properties available for purchase due to excessive number of foreclosures in the county.

Restricting Factors

1. Multifamily property values remain high and are a limiting factor on the ability to use HIF dollars for acquisition of existing properties.
2. Economy has slowed the production of new housing.
3. Economy has limited the private sector involvement in new projects resulting in nonprofits being the primary party seeking HIF assistance and they bring little equity to the table, thereby requiring more gap financing.
4. Federal tax credits, which are a major part of low income housing financing, produce 30 percent less in equity in this current economy, resulting in a bigger demand on HIF dollars for individual projects.
5. NIMBYism – localized opposition to affordable housing development.
6. Limitations on future residential development as the County nears “build-out.”

What We Propose To Do

1. Preserve existing affordable housing through aggressive code enforcement and effective utilization of HIF dollars.
2. Increase attention to preserving affordable multifamily rental buildings/developments.
3. Establish goals for addition of affordable housing to County stock and closely monitor progress on achieving those goals.
4. Continue aggressive push of closing cost assistance program managed by HOC.
6. Pursue prompt completion of development on county owned parcels, i.e., Bowie Mill, Edson Lane, Fleet Street, Hampden Lane, Bonifant (Silver Spring Library site).
7. Promote mixed-use development (e.g., the promotion of housing development in non-residential areas).
8. Continue the focus on, and coordination of, housing for those with special needs, e.g. homeless, persons with disabilities, seniors, etc.
9. Promote the adaptive use of the County’s existing housing stock to reduce demand on new housing: e.g., assist seniors in adapting their homes to meet their needs.

Code Enforcement

Headline Performance Measure #3:

Percent of cases that achieve voluntary compliance in code enforcement cases before a citation is written

Code Enforcement			
Year	Voluntary Compliance	Total Cases	Percent Voluntary Compliance
FY08	6326	6782	93%
FY09	6481	7016	92%
FY10	6696	7200	93%
FY11	6768	7200	94%
FY12	6800	7200	94%

Headline Performance Measure #4:

Number of housing code enforcement repeat offenses (more than two visits in two years)

Code Enforcement Repeat Offenses				
FY08	FY09	FY10	FY11	FY12
212	198	190	180	170

Story Behind The Performance

Contributing Factors

1. There is generally good housing stock throughout the County, therefore, contributing to residents' willingness to comply with codes and not be the exception within their neighborhood.
2. Multifamily landlords have generally established a good track record of cooperation and working toward compliance.
 - a. Neighborhood associations are anxious to obtain compliance throughout neighborhoods.
 - b. Competent and efficient code staff is experienced in working with landlords and homeowners to get compliance.
 - c. Additional code staff has been added over the past two years.

Restricting Factors

1. Some areas have a high concentration of rental housing with some renters and landlords exhibiting an “I don’t care” attitude.
2. Some neighborhoods with relatively high concentrations of over crowded smaller single family residences.
3. Multiple car ownership in individual units/homes creating parking problems.
4. Lack of knowledge and/or misperception by many residents and property owners as to what codes permit or prohibit, and respective responsibilities of parties.
5. Some cases of frequent violations by same landlords.
7. Awaiting action on Executive Branch legislative changes to improve coordination and effectiveness of County code enforcement.

What We Propose To Do

1. Increase use of shared data base for use by various departments involved in code related issues.
2. Improve ability to identify relocation resources for families/individuals that need to move for code related reasons.
3. Develop rehab program to assist in financing improvements to bring properties into code compliance.
4. Continue community awareness effort to keep community informed of code requirements.
5. Solicit assistance from real estate community to identify problems and better counsel their colleagues.

Landlord-Tenant Affairs

Headline Performance Measure #5:

Number of landlord/tenant cases mediated successfully

Landlord/Tenant Affairs			
Year	Mediated Successfully	Total Cases	Percent Mediated Successfully
FY08	1363	1394	98%
FY09	699	722	97%
FY10	873	900	97%
FY11	921	950	97%
FY12	870	900	97%

Headline Performance Measure #6:

Average length of time required to conciliate landlord/tenant disputes that do not go to the Landlord/Tenant Commission

Landlord/Tenant Affairs Average Length of Time				
FY08	FY09	FY10	FY11	FY12
35	42	35	30	25

Story Behind The Performance

Contributing Factors

1. Landlord/Tenant Commission and staff have established a solid track record over the years in addressing these issues and setting a standard for landlords and tenants throughout the County.
2. Conciliation efforts between landlords and tenants have had a success rate of approximately 95 percent thereby resolving issues before they need to be presented to the Commission for resolution.

Restricting Factors

1. The increase in number of landlords, particularly those managing small properties, requires increased outreach and education.
2. The tightness of the rental housing market reduces the incentive for landlords to conciliate.
3. The lack of available and affordable relocation resources makes it difficult to assist families and individuals whose best interests are served by moving.

4. There is an impression by some landlords that the staff and Commission inequitably support tenant positions in disputes. Some tenants feel the opposite is true.

What We Propose To Do

1. Promote education of landlords and residents regarding the law and the responsibilities of each.
2. Improve the technology used to respond to questions, to open cases and to track those cases.
3. Determine the impact of landlord/tenant activities on the number and type of cases that are taken to the District Court.
4. Examine recommendations of the tenant task force to determine what changes might be appropriate in policy or procedures in DHCA.

Neighborhood Revitalization

Headline Performance Measure #7:

Gains achieved in neighborhoods receiving DHCA neighborhood revitalization funding and services

Story Behind the Performance

Contributing Factors

1. The County has a wealth of existing neighborhoods that provide affordable housing opportunities to residents at nearly all income levels.
2. Existing neighborhood organizations are becoming concerned and seeking action to address some of the neighborhood problems.
3. There is the political will in the County to preserve affordable housing while maintaining safe healthy neighborhoods.
4. Experience has shown that physical improvement in some neighborhoods has contributed to increased spending by homeowners on property improvements.
5. Relatively early regulatory intervention will preclude more serious problems in the future.
6. The County has other programs to improve existing neighborhoods, such as DOT's Renew Montgomery.
7. DHCA is increasingly working with other departments to provide a comprehensive response to community needs.

Restricting Factors

1. The County's high quality of life and relative economic prosperity create high demand for housing in the County, leading to inflationary pressures on the existing housing stock.
2. The current economic downturn and the results of bad lending practices have increased the number of foreclosure events and contributed to the lowering of residential real estate values.
3. Some neighborhoods in Montgomery County are aging and have not benefited from concentrated infrastructure or neighborhood improvement efforts.
4. Some housing types (e.g., smaller "starter" homes) have kept property values lower than County averages and resulted in less affluent residents in these neighborhoods without sufficient incomes to properly maintain their homes.

5. Some older neighborhoods have experienced an influx of new residents to the County doubling up, tripling up, and renting “rooms” in formerly single family homes. Code enforcement actions might contribute to causing displacement of some residents with insufficient relocation resources.
6. An increasing number of blighting influences is appearing in some neighborhoods.
7. Funds and staff capacity will most likely limit concentrated activity to only one or two neighborhoods, thereby creating problems in neighborhoods not selected.

What We Propose To Do

1. Refine and make necessary adjustments to the neighborhood quality monitoring system that is designed to predict neighborhoods subject to deterioration and requiring assistance. The system will be used to select next neighborhood(s) for focused assistance.
2. Conduct visual survey of neighborhoods, involving community volunteers. Utilize “311” data to augment survey information.
3. Substantially implement comprehensive neighborhood revitalization plan for target neighborhoods.
4. Develop timelines and identify funding for implementation of revitalization plan recommendations.
5. Foster better communication with neighborhood associations, and public and private sector agencies, such as utilities and school administrators, to promote information sharing on neighborhood quality observations and concerns.
6. Continue community outreach efforts through collaboration with regional Service Centers.
7. Vigorously address impact of foreclosures on neighborhoods with high number of foreclosures, including continued monitoring of vacant properties.